29 APR 1977

STAT

MEMORANDUM FOR: Acting Executive Officer to the DDA

FROM:

Acting Director of Security

SUBJECT:

Classification

REFERENCE:

Memorandum from DCI dated 25 April 1977, same subject (ER 77-7344; DDA 77-2309)

1. Action Requested: None. This memorandum is submitted in response to your request for comments on the issue raised in reference.

2. Basic Data: There is no doubt that certain procedures associated with the handling of CODENORD material (i.e., sensitive compartmented information) with respect to transmittal and receipting requirements are less complex than those for TOP SECRET documents without compartmented controls.

Noncompartmented TOP SECRET material, relatively speaking, represents a small percentage of the total volume of Agency classified material. The requirements for handling such material are consistent with those established by Executive Order 11652 and its implementing National Security Council Directive. Because of the relatively low volume, no significant problems exist in adhering to the letter of these requirements.

CODEWORD material, i.e., sensitive compartmented information, on the other hand represents a relatively large percentage of the total volume of Agency material and involves rapid dissemination of material to a relatively large audience. Imposition of receipting requirements as strict as those that apply for noncompartmented TOP SECRET material would seriously inhibit such rapid dissemination.

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The Office of Security has no evidence whatsoever that CODEWORD designation, i.e., compartmented channels, is being used to avoid the somewhat stricter dissemination and receipting procedures of the TOP SECRET control system. Further, it would not appear to be a logical avenue, since fraudulent and unnecessary application of CODEWORD control on a document would limit its dissemination within the Agency, where all staff employees hold TOP SECRET clearances but not all are approved for compartmented access.

The appropriate regulations governing the handling of both noncompartmented TOP SECRET material and CODEWORD material, i.e., sensitive compartmented information, are regularly under review. The current requirement that each and every reader of a TOP SECRET document acknowledge by signature his access thereto is currently under review by the Agency. However, a decision on this issue as to the need for change is being examined in the light of overall TOP SECRET control system procedures and in our view should not be based on a premise which we have been unable to validate, viz., that current TOP SECRET control receipting procedures are being evaded by use of the CODEWORD control systems:

We do not feel that a change in Agency or community compartmentation procedures in this area is necessary or desirable.	STAT
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